Message Text

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E.O. 11652: GDS

TAGS: ETRD, CA

SUBJECT: ANTIDUMPING CASE AGAINST CANADIAN AUTOMOBILES

1. CANADIAN MINISTER FOR ECONOMIC AFFAIRS GHERSON CALLED ON DEPUTY ASSISTANT SECRETARY GLITMAN ON AUGUST 4 TO EXPRESS CANADIAN CONCERN OVER THE CURRENT ANTIDUMPING INVESTIGATION OF CANADIAN AUTOMOBILES AND TO DELIVER THE FOLLOWING AIDE MEMOIRE. BEGIN TEXT:

THE CANADIAN AUTHORITIES UNDERSTAND THAT THE DEPARTMENT OF THE TREASURY PRESENTLY HAS UNDER CONSIDERATION ANTIDUMPING COMPLAINTS INVOLVING AUTOMOBILES FROM CANADA. THE CANADIAN AUTHORITIES WOULD WISH TO DRAW TO THE ATTENTION OF THE UNITED STATES AUTHORITIES THAT THE ANTIDUMPING COMPLAINTS MADE BY CONGRESSMAN DENT AND THE UNITED AUTO WORKERS OF AMERICA WERE NOT INITIATED ON BEHALF OF THE INDUSTRY AFFECTED, SUPPORTED BY EVIDENCE OF BOTH DUMPING AND OF INJURY RESULTING THEREFROM FOR THIS INDUSTRY AS REQUIRED BY ARTICLE 5(A) OF THE AGREEMENT ON IMPLEMENTATION OF ARTICLE VI OF CONFIDENTIAL

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THE GATT. FURTHER, IT IS THE UNDERSTANDING OF THE CANADIAN

AUTHORITIES THAT SECTION 153.26 OF THE UNITED STATES
CUSTOMS REGULATIONS DEALING WITH ANTIDUMPING PROCEDURES
REQUIRES THAT THE COMPLAINT BE COMMUNICATED ON BEHALF OF AN
INDUSTRY IN THE UNITED STATES. IT IS THE VIEW OF THE

CANADIAN AUTHORITIES THAT THESE REQUIREMENTS HAVE NOT BEEN MET BY THE COMPLAINTS SUBMITTED BY EITHER CONGRESSMAN DENT OR THE UNITED AUTO WORKERS OF AMERICA.

THE CANADIAN AUTHORITIES WOULD ALSO WISH TO DRAW ATTENTION TO THE FACT THAT THE COMPLAINT BY THE UNITED AUTO WORKERS OF AMERICA DOES NOT SPECIFY MOTOR VEHICLES FROM CANADA.

THE CANADIAN AUTHORITIES HAVE EXAMINED THE COMPLAINTS AND HAVE FOUND NO EVIDENCE IN THE PETITIONS ESTABLISHING THAT AN INDUSTRY IN THE UNITED STATES HAS BEEN INJURED OR IS LIKELY TO BE INJURED AS REQUIRED BY SECTION 153.27(E) OF THE CUSTOMS REGULATIONS AND IN THIS REGARD WOULD WISH TO REFER TO THE EVALUATION OF INJURY IN ARTICLE 3(D) OF THE AGREEMENT ON THE IMPLEMENTATION OF ARTICLE VI OF THE GATT. FURTHER, THE CANADIAN AUTHORITIES WOULS WISH TO POINT OUT THAT THE PRESIDENT OF THE AUTOMOTIVE VEHICLE MANUFACTURERS ASSOCIATION, IN HIS TESTIMONY BEFORE THE HOUSE LABOR STANDARDS SUB-COMMITTEE OF THE HOUSE OF REPRESENTATIVES ON MARCH 5, EMPHATICALLY STATED THAT, "THE DROP IN DOMESTIC SALES AND THE RISE IN UNEMPLOYMENT HAVE NOT BEEN CAUSED BY THE IMPORTATION OF MOTOR VEHICLES IN THE UNITED STATES, AS SUCH."

THE CANADIAN AUTHORITIES NOTE THAT, IN THE AMENDMENT TO SECTION 516 OF THE TARIFF ACT PUT INTO FORCE BY THE TRADE ACT OF 1974, ONLY AN AMERICAN MANUFACTURER, PRODUCER OR WHOLESALER OF MERCHANDISE OF THE SAME CLASS OR KIND AS DESCRIBED IN AN ANTIDUMPING DETERMINATION MAY FILE A WRITTEN NOTICE WITH THE SECRETARY OF THE TREASURY OF A DESIRE TO CONTEST SUCH DETERMINATION. THE CANADIAN AUTHORITIES WOULD INFER FROM THIS PROVISION THAT A COMPLAINT COULD ONLY BE LEGITIMATELY ACCEPTED FROM A PERSON WHO UNDER THIS PROVISION IS ENTITLED TO APPEAL PROCEDURES.

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IN VIEW OF THE FOREGOING, THE CANADIAN AUTHORITIES WOULD REQUEST THAT THE COMPLAINTS BE REJECTED AND THAT THE ANTI-DUMPING PROCEEDINGS BE TERMINATED.--END TEXT.

2. GLITMAN ASSURED GHERSON THAT CANADA'S VIEWS WOULD BE BROUGHT TO THE ATTENTION OF THE APPROPRIATE U.S. GOVERNMENT OFFICIALS. HE POINTED OUT THAT, WITH REGARD TO THE FIRST POINT IN THE CANADIAN AIDE MEMOIRE, THE GATT CODE

CONTAINS THE WORD NORMALLY WITH REGARD TO WHO MAY FILE A PETITION AND THIS WORDING WOULD APPEAR TO LEAVE ROOM FOR SOME DEVIATION. HE SAID WE WISHED TO HANDLE THIS CASE IN MOST FAIR AND EXPEDITIOUS MANNER POSSIBLE AND WOULD ALSO CONSIDER THE FINAL POINT MADE IN THE PENULTIMATE PARAGRAPH. INGERSOLL

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